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Solargiga Energy Holdings Limited

陽光能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 757)

PROFIT ALERT

Positive Alert on Profit from Continuing Operations

This announcement is made by Solargiga Energy Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group (the “**Management Accounts**”) for the year ended 31 December 2023 (the “**Reporting Year**”), the Group is expected to record an unaudited profit for the year from continuing operations of the Company with an amount ranging from approximately RMB130,000,000 to RMB170,000,000 for the Reporting Year, which would be a significant turnaround from loss to profit as compared to the loss from continuing operations of the Company of approximately RMB134,804,000 recorded for the year ended 31 December 2022.

To the best of the Directors’ knowledge having made reasonable enquiries, such expected turnaround from loss to profit of the Group for the Reporting Year was mainly due to (1) the increase in orders from existing customers and the successful development of new customer base have led to a significant increase in the external shipping volume of photovoltaic modules; and (2) the Group’s high-efficiency production capacity increased, resulting in economies of scale. Although operating performance has been offset by the decline in the market average selling price of photovoltaic modules, the overall gross profit margin has still increased.

However, it is worth noting that the unaudited profit attributable to owners of the parent for the year ended 31 December 2023 with an amount ranging from approximately RMB100,000,000 to RMB140,000,000 will still be lower than that for 2022. For the year ended 31 December 2022, the Group's profit attributable to owners of the parent was approximately RMB957,108,000, which was mainly due to a non-recurring gain on disposal of its equity interest in Qujing Yangguang New Energy Co., Ltd.* (曲靖陽光新能源股份有限公司)(the “**Disposal**”) completed in December 2022 amounting to approximately RMB1,043.8 million in aggregate. For further details of the Disposal, please refer to the circular of the Company dated 21 November 2022 in relation thereto.

The Company is still in the process of preparing and finalising the consolidated financial results of the Group for the Reporting Year. The information contained in this announcement is only based on the preliminary assessment by the Board on the Management Accounts for the Reporting Year, which have not been confirmed or reviewed by the Company's auditors or the audit committee of the Company, and is subject to further adjustments and amendments which may be made during the course of review by auditors. Actual results of the Group may differ from the information disclosed in this announcement.

Details of the financial results of the Group for the financial year ended 31 December 2023 will be published by the Company in the annual results announcement of the Company within the timeframe stipulated under the Listing Rules. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

By Order of the Board
Solargiga Energy Holdings Limited
Tan Wenhua
Chairman

Hong Kong, 4 March 2024

As at the date of this announcement, the executive Directors are Mr. Tan Wenhua (Chairman), Mr. Tan Xin and Mr. Wang Junze, the non-executive Director is Mr. Hsu You Yuan and the independent non-executive Directors are Dr. Wong Wing Kuen, Albert, Ms. Chung Wai Hang and Ms. Tan Ying.

* *For identification purposes only*